ALIGNMENT INDEX FOR SPEECH SELF-SERVICE

DIMENSION DATA

In collaboration with:

CISCO

Speech in the Mainstream? Stakeholder views from 360°

With this Review, we share what we have learnt from listening to what customers tell us they look for in self-service solutions, and explore to what extent the stakeholders involved in delivering those solutions are aware of their needs and preferences.

Introduction

The 360° Review of Speech Recognition was conducted during the summer of 2007 by Dimension Data in collaboration with Cisco. With Cisco's support in the design of the study and interpretation of the findings, the report aims to create an Alignment Index for the speech self-service industry and identify any differences in end users' and vendors' perceptions of speech systems.

As with many emerging technologies, we wanted to test how well the speech industry is in tune with end users' perceptions or to what extent they have fallen victim to "believing their own hype". We asked consumers a number of questions and then asked vendors how they thought consumers would respond to the same questions. The results were often surprising, and make for thought-provoking reading.

Sampling Methodology

A broad sample of 1 203 end users of speech recognition systems from the six geographies shown on page 2 responded to the online questionnaire. We worked with a third party organisation (Research Now) to gain access to their global consumer panels, focussing initially on English-speaking geographies. The focus on English-speaking audiences allowed us to focus the research effort in the first year of the report and added relevance to what we felt was a primarily English-speaking audience at SpeechTek, where these results were first presented.

Consumer respondents ranged in age from 16 – 51+, as shown below. Gender representation was 48% male and 52% female.

- 16 years to 34 years: 29%
- 35 years to 50 years: 35%
- 51+ years: 36%

Aiming for a meaningful sample of opinions from the global vendor community, we collated 128 responses from speech recognition vendors focusing on the following areas:

Platform Vendors

- Self-service and / or routing and queuing platforms
- Other contact centre technology platforms

System Integrators

- Integration and / or application development of other contact centre technologies
- Integration and / or application development of self-service systems
- Other contact centre applications

Voice Application Developers

- Integration and / or application development of self-service systems
- Self-service user applications, either touchtone (DTMF) or speech recognition

Speech Technology Vendors

- Speech recognition, verification, text-to-speech or other speech technology applications

Outsourcers

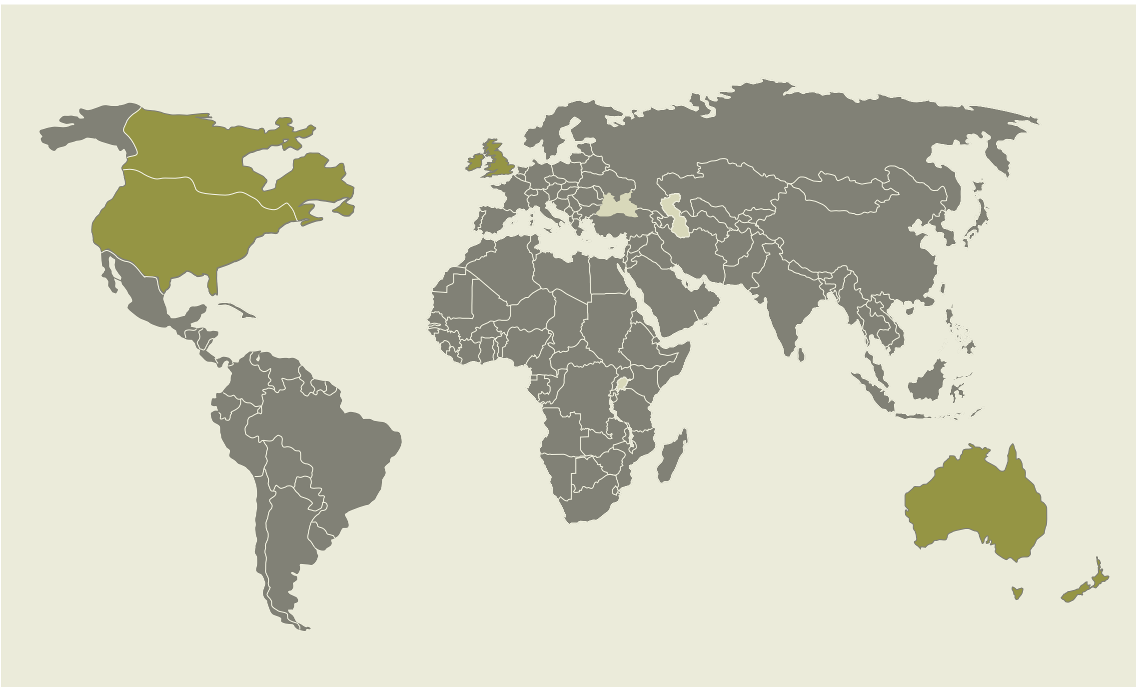
When we aggregated the data, it demonstrated that the majority of vendor respondents have been engaged in taking solutions to market for a number of years and represent a variety of job functions within their respective organisations.

Vendors were asked to give their perspective on the long-term viability of the speech self-service market. The results were positive, with 68% of respondents believing the long term viability is either ‘Excellent’ or ‘Very good’.

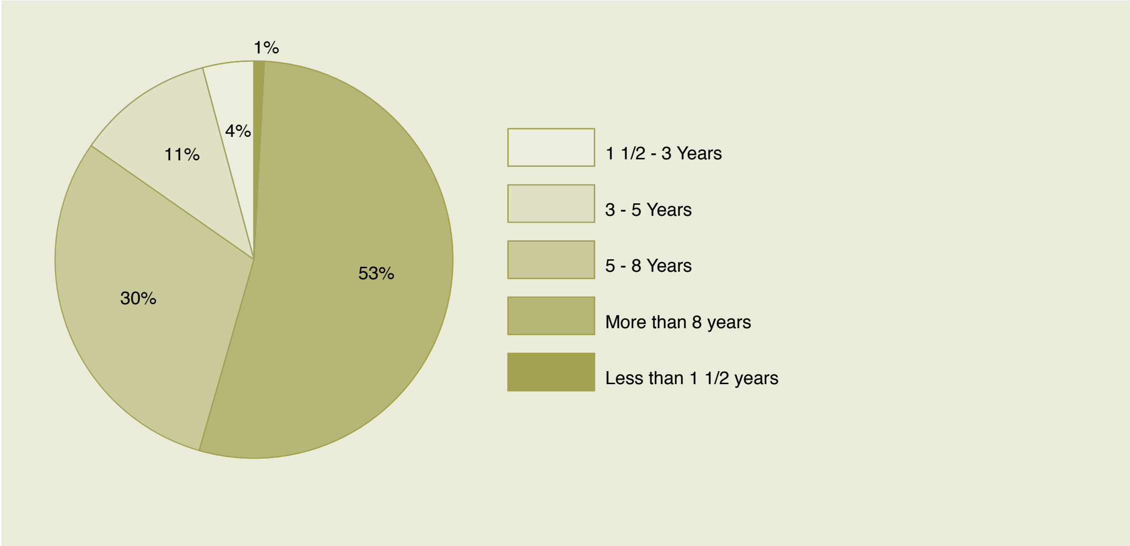
Continuous Improvement

Dimension Data and Cisco are committed to improving this survey and running it year over year to continue to test the perception gap that exists between end users and vendors. Over time, our goal is to dramatically reduce this gap by improving perceptions of the value of the systems on the part of consumers, and making vendors aware of the challenges that consumers face when using the systems. We’d also like to determine the real motivation for end users continuing to use these applications.

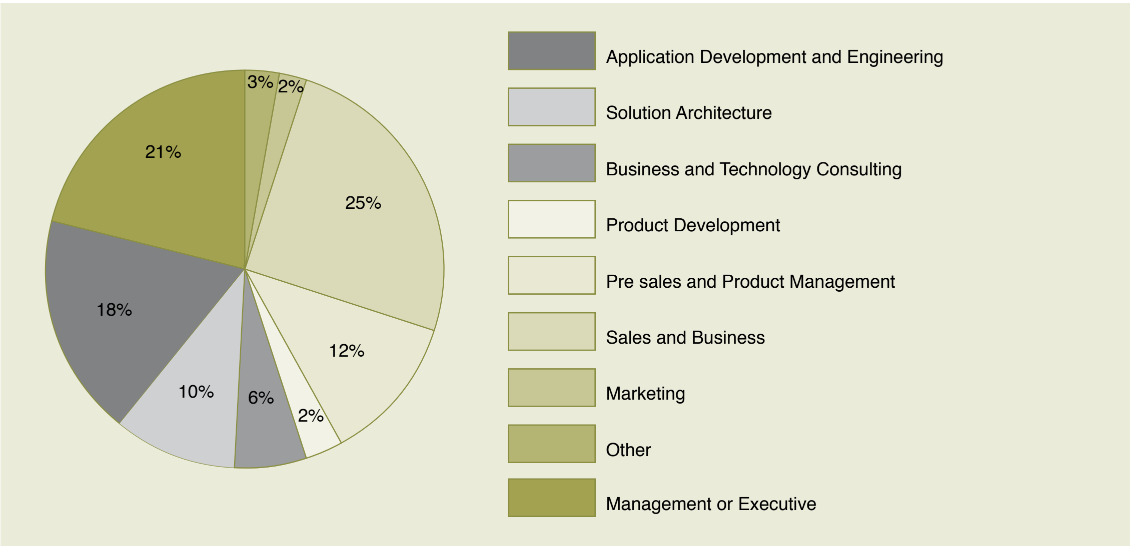
The full results of the questionnaire are published in this report, creating the first Alignment Index for the speech self-service industry. This will give stakeholders in this dynamic market space a factual basis for understanding where opinions between vendors and end users diverge.



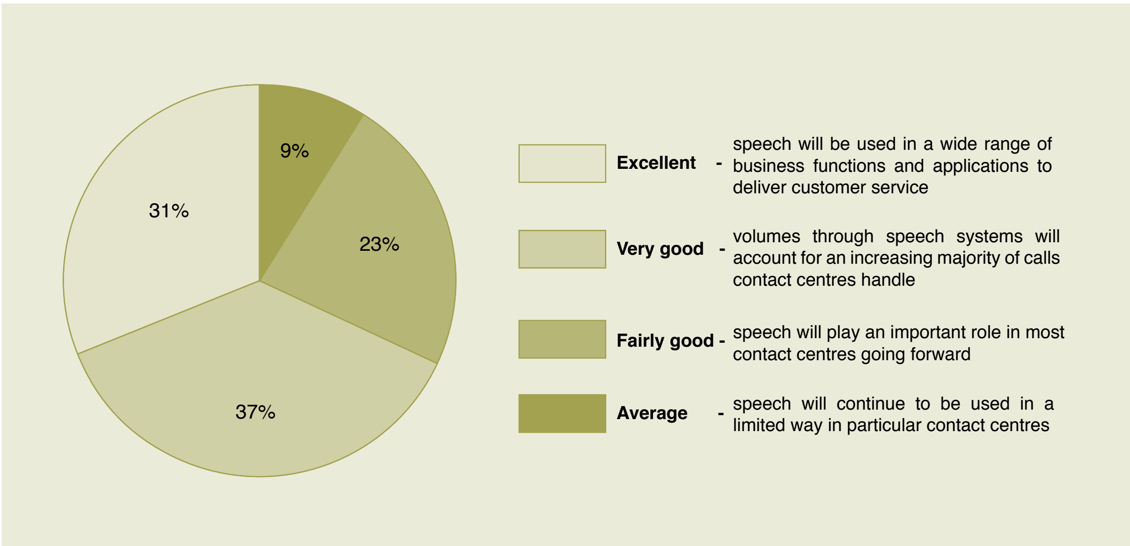
How long has your company been involved in providing speech systems or services for contact centres?



Which word or phase best describes your job function?



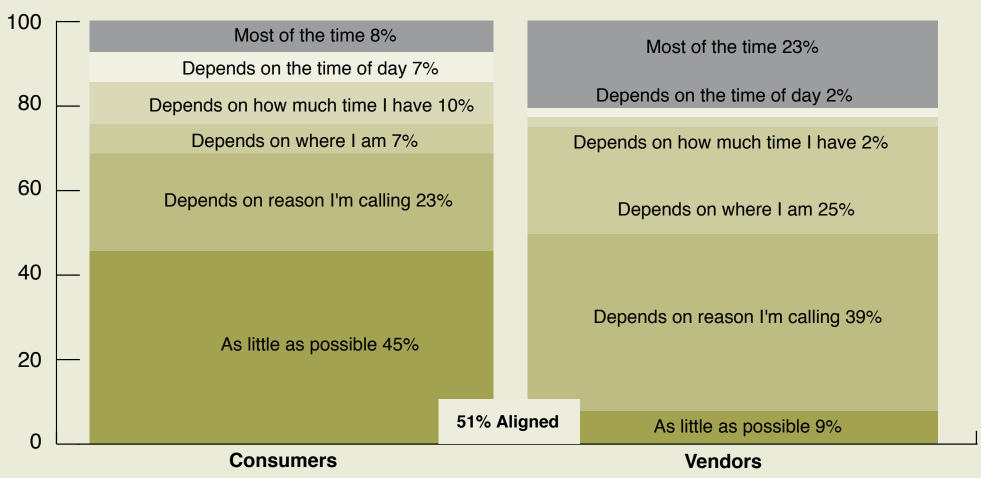
What do you think is the long-term viability of the market for speech systems that provide customer service?



Research Findings

1. Reality Check

How often would you prefer to use a speech recognition system rather than a touchtone system?



There is significant misalignment between consumers and vendors on this key issue. Forty-five percent of consumers say they would prefer to use speech recognition, rather than a touchtone system, as little as possible, while only 9% of vendors predicted this negative response.

Situational factors appear to be less important to consumers, while more vendors identify factors like location, time and caller intent as drivers of consumers' preferred modality (in this case, speech over touchtone). The least misaligned of all factors is caller intent, with 23% of consumers saying this would affect their choice of preferred modality.

DTMF replacement has been the buzz-word behind speech recognition since its inception as a viable technology. The perceived benefit is that it offers a more natural interaction to the caller as well as the ability to gather richer, alpha-numeric data, as opposed to what has traditionally been the more stilted, numeric input-only interactions offered by touchtone applications.

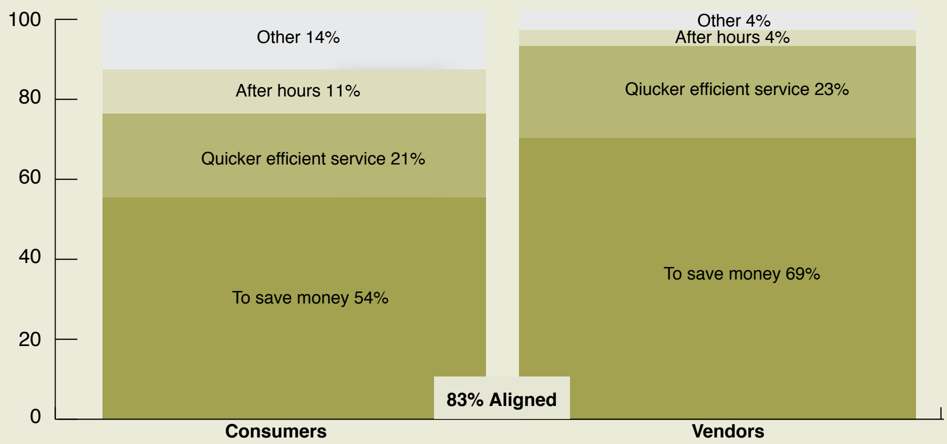
These benefits appear to have escaped consumers, as evidenced by the 45% that would prefer to use speech recognition over touchtone applications **as little as possible.**

It is encouraging that 23% of consumers see the reason they are calling as a factor that will lead them to want to use one channel over another, demonstrating that there is a benefit, but that it is not widely understood amongst consumers.

The subsequent responses from the research demonstrate the contributing factors to this overall impression.

2. Consumers Are Wise To Vendors?

What do you think is the main reason organisations provide automated services in their call centres?



Consumers and vendors are relatively well aligned on this question, with the majority of both sets of respondents believing that the drive to save money is the main reason call centres provide automating services.

The most closely aligned are those that see “offering quicker efficient service” as the main reason, with only a 2% difference between consumers and vendors, while there is a 7% split between vendors and consumers on after hours service being the main reason.

Deploying cost saving solutions where there is a benefit to consumers is a positive factor.

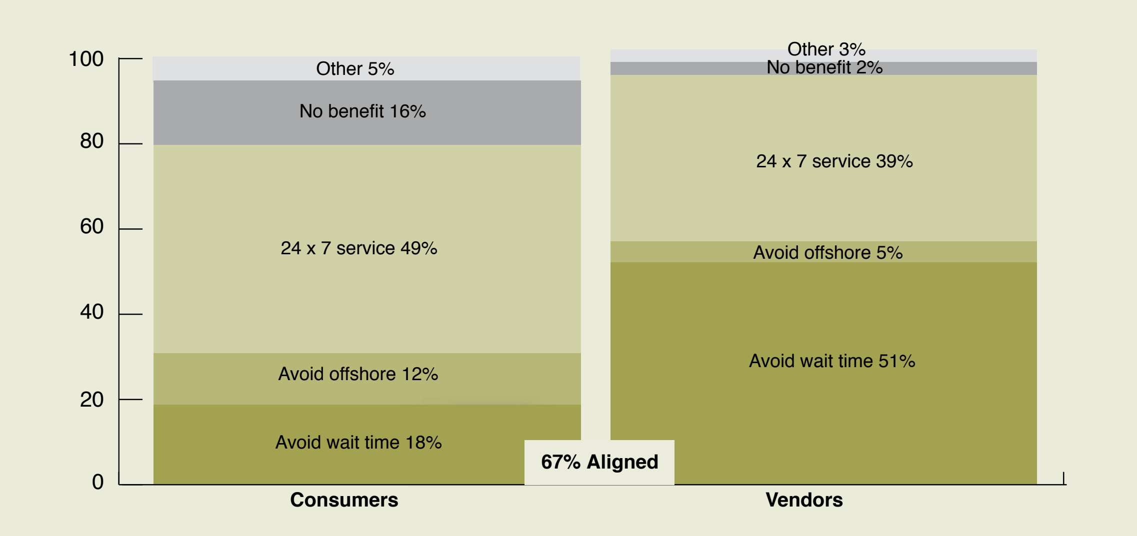
This question was designed to hold up a mirror to vendors and call centres that sell and deploy automated solutions, and give an understanding of consumers’ perceptions about the motivations for call centres deploying automated solutions. The answers give us an insight into their state of mind as they are presented with the solutions.

Deploying cost saving solutions where there is a benefit to consumers is a positive factor e.g. the ‘EasyJet’ example, where consumers were migrated off the phone and onto a web self-service channel by being offered a financial incentive – in this instance, cheaper air tickets that could be purchased over the Internet. But where there is no benefit – perceived or real – or worse, where the perceived benefit is misunderstood, achieving the desired change in user behaviour is challenging at best.

The 21% of consumers that see call centres aspiring to deliver quicker and efficient service as the main reason for the deployment of automated solutions is a real positive as it shows that a significant percentage of callers perceive it being deployed for service improvement reasons that will ultimately benefit them.

3. Do Vendors Understand The Perceived Benefit?

What do you think is the most important benefit of using an automated system when you phone a call centre?



Sixteen percent of consumers perceived no benefit from using an automated system, but the majority (49%) believed that being able to access call centre services 24x7 was the most important benefit to them. Avoiding offshore call centre agents is more than twice as important to consumers than vendors thought it would be.

The greatest misalignment concerns the avoidance of wait time: 51% of vendors believe this is the most important benefit, as against only 18% of consumers.

Understanding the perceived benefit consumers believe they receive from interacting with an automated system is a critical proof point.

If vendors aren't actively investing in a) promoting the benefits that consumers perceive already and b) working to educate consumers on additional benefits that may be less apparent, then achieving a shift in consumer perception is going to remain difficult.

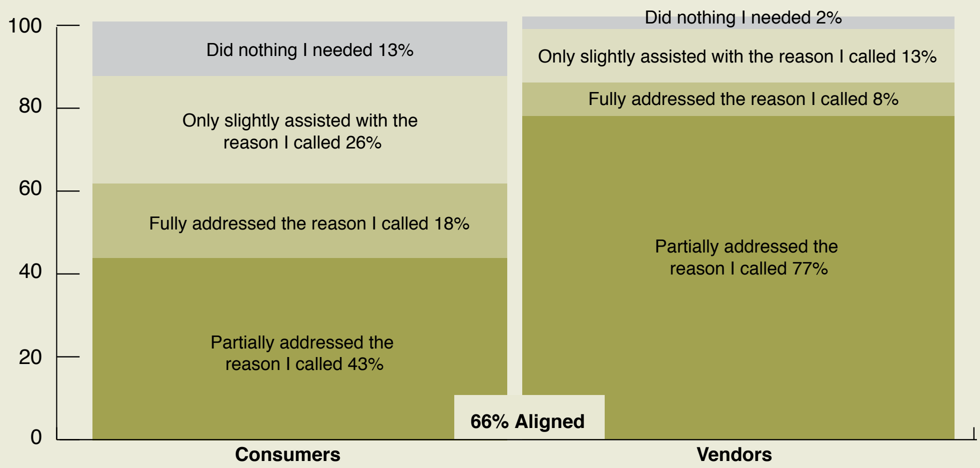
The most striking difference exists regarding the perception of the value of avoiding wait time. Here, only 18% of consumers selected this option as the most important benefit to them, making this is a powerful illustration of how damaging misalignment can be, given that anecdotal evidence shows us that 'queue busting' (as avoiding wait times is sometimes referred to) is often perceived as the major benefit to offer consumers in using automated applications.

The high proportion of consumers that see that the ability to access 24x7 call centre services as the major benefit is encouraging and isn't significantly misaligned with vendor perceptions (10% difference), which shows that some benefits are understood to be relevant by both sides.

One metric to watch in future Alignment Indices will be the perceived benefit in avoiding offshore call centre interactions, as a degree of negative sentiment towards offshore geographies appears to be a feature in the markets surveyed for this report.

4. Are Vendors Kidding Themselves?

In general, when you've used a speech recognition system, which of the following best describes how well it helped you to deal with your query?



Forty-three percent of consumers believed that their interactions with speech recognition systems had partially addressed the reason they called, versus 77% of vendors who believed this. Perhaps this demonstrates an overstated confidence, "glass half full" perspective within the vendor community, regarding their ability to do at least part of what consumers are looking to achieve with their call centre interaction.

The "glass half empty" slant is equally misaligned, with twice the number of consumers perceiving that their interactions only slightly assisted with the reason they called.

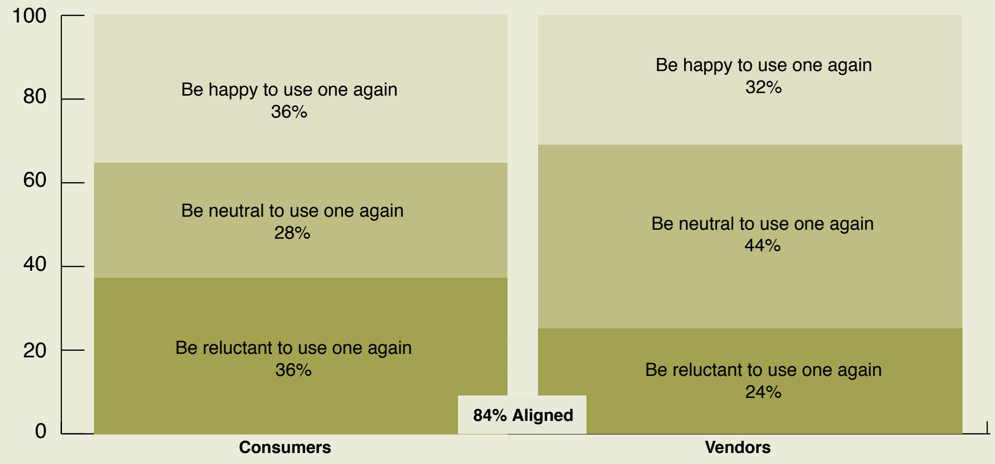
Eighteen percent of consumers are happy that the speech recognition they have used fully addressed the reason they called – 10% more than vendors.

This set of results appears to be broadly positive, despite the 34% misalignment regarding the partially addressed category. Particularly if you add the fully addressed and partially addressed categories, which together add up to 61% of consumers having a positive experience with speech self-service systems – a remarkably high percentage given some of the more challenging feedback in this report.

This statistic shows how challenging consumers find it to articulate their interaction experience, i.e. although 61% believe it was a positive experience, in a previous question 49% stated they would prefer to use speech recognition applications over touch tone as little as possible.

5. How Do Vendors Win Over The Undecided?

Having used a speech recognition automated system would you now...?



This question yielded the most aligned set of responses, with the biggest difference resulting from perspectives on consumers being neutral towards using one again. As with the previous question, vendors believe that the interaction had no lasting effect on callers, with 44% believing the interaction would leave consumers neutral towards using applications again.

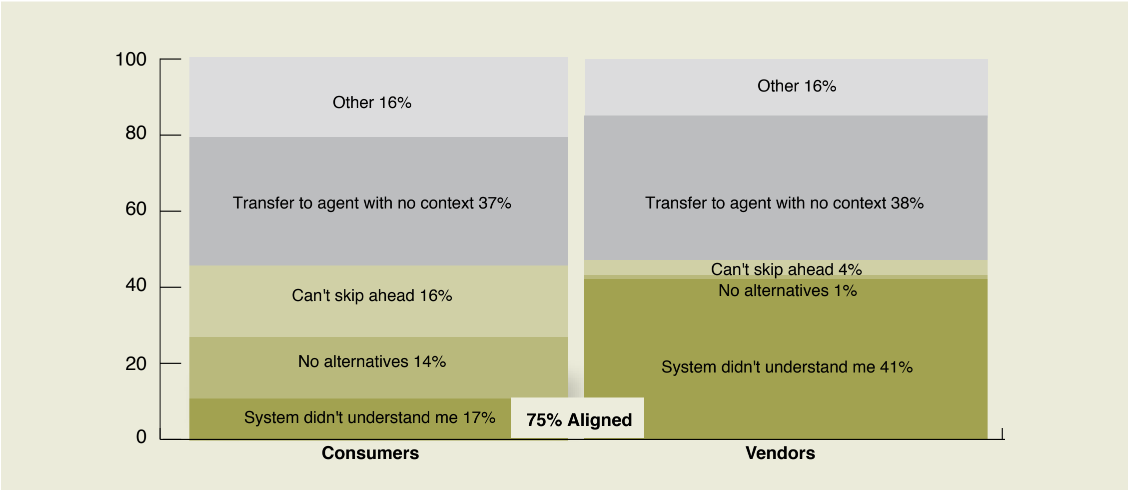
Anecdotally we would expect to see roughly a third of consumers being either reluctant, neutral or happy to use speech recognition systems again – this is broadly borne out in the results above, with an encouraging 64% of consumers being either neutral or happy to use one again.

It is however important to note the polarising effect of using speech applications, as indicated by the much smaller number of consumers (28%) who indicated they would be neutral towards using one again, as opposed to the 44% indicated by vendors. This potential for polarisation needs to be heeded, as the 12% misalignment indicates that vendors are not taking this into account enough, choosing to believe (the results appear to indicate, erroneously) that consumers will take a broadly neutral stance to their experience of the interaction.

43% of customers believed that their interactions with speech recognition systems had partially addressed the reason they called versus 77% of vendors.

6. It Isn't All About The Technology!

The thing that annoys or irritates me most about using an automated speech application is when...



The most significant difference here is on the issue of having no alternative to using an automated speech recognition application. Only 1% of vendors perceived this as an irritation, as against 14% of consumers – a significant difference.

The other significant misalignment regards the assertion that "the system didn't understand me", an issue for 41% of vendors, but only 10% of consumers.

Consumers and vendors are well aligned on the issue of transfer to agent with no context, with only a 1% difference between the two.

Frustration about an inability to control the pace of the call is identified by 17% of consumers who are most irritated by not being able to skip ahead, with only 4% of vendors identifying this factor as important.

This set of responses confirmed our longstanding contention that the success or failure of the applications has very little to do with the actual technology being deployed. The vendor responses show a focus on recognition rates 'system didn't understand me' and Computer Telephony Integration 'transfer to agent with no context', both of which are technology-orientated responses.

Consumers, on the other hand, focused on a lack of alternatives to self-service 'no alternatives' and navigational concerns 'can't skip ahead' demonstrating that it is the design of the overall solution that has the real impact.

These results highlight the necessity for cross-functional engagement within organisations: Ensuring contributions from non-technology stakeholders e.g. marketing, customer services and usability experts, will go some way to addressing the concerns being raised by consumers in this report.

Conclusion and Summary

Here are the standout points extracted from the data collated in the Speech Self-Service Alignment Index.

- Respondents were positive about the long-term viability of speech self-service, and believe it is here to stay as a technology and a service option.

- Vendors are missing the mark when it comes to understanding the preferences consumers have when it comes to speech recognition systems. Forty-five percent of respondents were clear that they want to use speech recognition systems as little as possible. A lot of work needs to be done around articulating the benefits and increasing the appeal of this medium, to open it up to greater acceptance and use.

- Consumers are wise to us and know that automated services are rolled out to save money.

- Consumers see the perceived benefits of automation very differently than vendors do. The main benefit from the consumer's perspective is the 24x7 service availability, not the reduction in wait time.

- Only 43% of respondents felt that the speech recognition system they used partially addressed their query, and 26% felt it assisted them only slightly. Thirty-six percent indicated that they would be reluctant to use a voice recognition channel again.

- A staggering 14% of consumers clearly expressed their dissatisfaction with the lack of alternatives available. This was by far the greatest stressor to users and far outranked vendors' assessment of the problem, which they ranked at only 1%!

> 45% of respondents were clear that they want to use speech recognition systems as little as possible.

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CS / GAU-0065 / 04/06

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